

STATE OF MICHIGAN  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
 FISCAL YEAR ENDED SEPTEMBER 30, 2000

**NOTE 22 – EQUITY TRANSFERS AND CHANGES IN CONTRIBUTED CAPITAL**

**A. Equity Transfers**

The General Fund received an equity transfer of \$21.7 million from the Uninsured Employers' Security Fund, a special revenue fund, during fiscal year 1999-2000. This transfer was made to close the fund in accordance with P.A. 357 of 1996. Sufficient equity in common cash was retained to cover the remaining liabilities.

The General Fund made a total of \$17.4 million in equity transfers to component units during fiscal year 1999-2000. Equity transfers of \$11.7 million and \$5.7 million were made to the Michigan Municipal Bond Authority, a discretely presented

component unit, to provide revolving loan capital for the Water Pollution Control Loan Program and for state matching of federal funds.

Equity transfers totaling \$.2 million were made from two different Self-Insured Disability Funds within the Miscellaneous Trust Accounts Fund, an expendable trust fund, to the Self-Insurers' Security Fund within the Miscellaneous Trust Accounts Fund. These equity transfers were made to comply with court orders to close the Self-Insured Disability Funds.

**B. Changes in Contributed Capital**

The following table summarizes contributed capital transactions made during the year (in millions):

	Primary Government				Component Units		
	Correctional Industries Revolving Fund	Motor Transport Fund	Office Services Fund	Total	Michigan Municipal Bond Authority	Michigan Economic Development Corporation	Total
Beginning balance - restated	\$ 1.5	\$ 8.4	\$ -	\$ 10.0	\$ 756.3	\$ 170.8	\$ 927.1
Contributed capital additions	-	-	.8	.8	-	-	-
Equity transfers from primary government	-	-	-	-	17.4	-	17.4
Federal grants	-	-	-	-	136.1	-	136.1
Ending balance	\$ 1.5	\$ 8.4	\$ .8	\$ 10.8	\$ 909.7	\$ 170.8	\$ 1,080.5

Contributed capital was first recorded by the State as of the beginning of the 1986-87 fiscal year. The amounts contributed prior to 1986-87 are not reasonably determinable, except for the

amounts related to the Motor Transport Fund. Contributions received in other funds prior to 1986-87 are reflected as retained earnings.